

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6487

BILL NUMBER: SB 148

NOTE PREPARED: Dec 13, 2005

BILL AMENDED:

SUBJECT: Use of CAGIT Revenue.

FIRST AUTHOR: Sen. Riegsecker

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill provides that County Adjusted Gross Income Tax (CAGIT) revenue in Elkhart County may also be used to operate and maintain jail facilities, juvenile court, detention, and probation facilities, other criminal justice facilities, and related buildings and parking facilities (in addition to the financing, construction, acquisition, renovation, and equipment of those facilities permitted under existing law).

Effective Date: January 1, 2006 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Elkhart County would have the option of adopting an ordinance that would allow use of the county's 0.25% CAGIT jail rate for jail operation and maintenance expenditures in addition to jail capital expenditures. Once bonds and leases for the capital expenditures are paid in full, the county would be required to adopt an ordinance to adjust CAGIT to a rate where the revenue does not exceed the cost to operate and maintain the county's jail facilities.

Explanation of Local Revenues: *Background Information:* Elkhart County raised their CAGIT rate (which was 1.00%) in FY 2004 by 0.25% for jail capital expenditures. The following table illustrates Elkhart County's rate and certified distribution for CY 2006.

FY 2006 Rate	CY 2006 CAGIT Certified Distribution*	CY 2006 Jail Portion of CAGIT	CY 2006 CAGIT County Certified Share
1.25%	\$44,411,610	\$8,882,322	\$10,731,683
*Elkhart County devotes 25% of their certified distribution to property tax replacement. The remaining 75% of their distribution is split into certified shares.			

State Agencies Affected:

Local Agencies Affected: Elkhart County.

Information Sources: State Budget Agency, LOGODABA.

Fiscal Analyst: Chris Baker, 317-232-9851.